

<u>VILLAGE OF ARLINGTON HEIGHTS</u> STAFF DEVELOPMENT COMMITTEE REPORT <u>Project Number</u>: PC 21-018 <u>Project Title</u>: Southpoint PUD Amendment – Chipotle Outlot <u>Address</u>: 711-715 E. Rand Rd. <u>PIN</u>: 03-20-200-019

<u>To</u>: Plan Commission <u>Prepared By</u>: Sam Hubbard, Development Planner <u>Meeting Date</u>: January 12, 2022 <u>Date Prepared</u>: January 7, 2022

<u>Petitioner</u>: Richard Silverman 600 Rand Rd, LLC <u>Address</u>: 390 Townline Road Mundelein, IL 60060

<u>Existing Zoning</u>: B-3: General Service, Wholesale, and Motor Vehicles District <u>Comprehensive Plan</u>: Commercial

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SURROUNDING LAND USES

Direction	Existing Zoning	Existing Use	Comprehensive Plan
North	R-3	Single-Family Homes	R&D Mfg and Warehouse
South	B-1, B-2	Furniture Store, Multi-tenant commercial building, Dunkin Donuts, Liquor Store	Offices Only, R&D Mfg and Warehouse
East	R-E	Single-Family Homes	Moderate Density Multi-Family
West	B-1, B-2	Town and Country Shopping Center, Fast Food restaurant (Burger King), Auto Repair shop	R&D Mfg and Warehouse

Requested Action:

- 1. Amendment to PUD Ordinance #90-014 to modify the approved Southpoint development plan and allow construction of two buildings on an outlot approved in 2019.
- 2. Special Use Permit approval for a 2,385 square foot restaurant with a drive-through.
- 3. Conceptual approval for a 4,419 square foot future restaurant with a drive-through.

Variations Required:

1. Variation to Chapter 28 of the Municipal Code, Section 6.15-1.2.b, to waive the requirement for a landscape island including a shade at the end of one row of parking where code requires landscape islands including a shade tree at the ends of all parking rows.

Project Background:

The Southpoint Shopping Center PUD was subdivided in 2019 to create a new outlot site for future development located along Palatine Road. This newly created outlot (the subject property) is located in front of the Floor & Décor building at 600 E. Rand Road and it makes up the westernmost portion of the large parking lot directly in front of the Floor and Décor building. The outlot is 1.23 acres in size and presently developed with approximately 125 parking spaces that are mostly used as overflow parking by the Chili's and Olive Garden restaurants located to the west.

The present request is to amend the Southpoint PUD to allow development of this newly created outlot with two buildings totaling approximately 6,804 square feet of commercial floor area. The building at the west would be 2,385 square feet and would include a Chipotle restaurant with a drive-through. The second building, at the east of the outlot, would include a building of 4,419 square feet for a future tenant (or tenants depending on market demand) and would include space for a second drive-through. This second building would not be constructed at this time and would only be constructed once a tenant(s) has been identified. As such, the "building 2" site would exist as a grass pad until developed. Development of the Chipotle building would include construction of 41 parking stalls and development of the future building would add an additional six stalls for a total of 47 stalls upon completion of the development.

The subject property is part of the Southpoint Shopping Center PUD, which was approved in 1988. This PUD includes the subject property as well as the multi-tenant retail building attached to the Floor & Décor building, the former Bif Furniture building and the multi-tenant retail spaces attached to the Bif furniture building, and three outlots along the Rand Road frontage. The entire Southpoint Shopping Center is subject to a recently amended Construction, Operation, and Reciprocal Easement Agreement (OEA) that provides for shared access and shared parking between all users within the PUD. Access to the shopping center comes from two full access, signalized intersections with Rand Road, a full access non-signalized intersection with Palatine Road, and a right-in/right-out intersection with Palatine Road. Access within the shopping center is done primarily through an internal ring road that is owned and maintained by the shopping center.

Zoning and Comprehensive Plan

The subject property is currently zoned B-3, General Service, Wholesale, and Motor Vehicle District. In order to develop the outlot, an amendment to PUD Ordinance #90-014 must be approved. Additionally, although retail uses are allowed within the B-3 District, all restaurants including drive-through's must receive a Special Use Permit (although it should be noted that if the restaurant is under 4,000 square feet in size and does not include a drive-through it qualifies for a Special Use Permit Waiver). Accordingly, the proposed Chipotle building requires a Special Use Permit, and the future building will receive conceptual approval at this time. When a tenant is identified for that building and the property owner opts to move forward with construction, a separate Special Use Permit shall be required for the restaurant /drive-through.

As part of the zoning approval process, the petitioner has provided a written response explaining how the Chipotle restaurant and drive through will conform to the three Special Use Permit approval criteria, which have been summarized below:

- That said special use is deemed necessary for the public convenience at this location.
- That such case will not, under any circumstances of the particular case, be detrimental to the health, safety, morals or general welfare of persons residing or working in the vicinity.
- That the proposed use will comply with the regulations and conditions specified in this ordinance for such use, and with the stipulations and conditions made a part of the authorization granted by the Village Board of Trustees.

Staff agrees that the necessary criteria for Special Use approval has been met and relative to the public convenience, notes that there is an existing Chipotle restaurant located approximately 1,750 feet to the northwest, which illustrates market demand for this use at this location (the existing Chipotle would be closed once the new store is constructed and operational). Furthermore, a drive-through use at this location, with the speakers on the opposite side of the building relative to the single-family homes across Palatine Road, will not threaten the health, safety, morals or general welfare of persons residing or working in the vicinity. It should be noted that these homes are located over 200 feet away across a major arterial (Palatine Road). The proposed Chipotle location will abide by any stipulations made a part of any zoning approvals.

The Comprehensive Plan classifies this property as "Commercial" and the proposed development is consistent with this designation.

Conceptual Plan Review Committee:

The petitioner appeared before the Conceptual Plan Review Committee on May 8, 2019. The development concept at that time was for a 10,000 square foot building, which would have included a drive-through and up to 7,000 square feet of restaurant floor area. Most of the discussion centered around the orientation of the building, which placed the rear of the building and drive through lane facing Palatine Road. The Conceptual Plan Review Committee encouraged the petitioner to re-orient the building to face Palatine Road, which the developer subsequently did.

Design Commission:

On September 21, 2021, the petitioner appeared before the Design Commission, which recommended a continuance to allow the petitioner to make certain modifications to the design that would add more depth and character to the building. Accordingly, on October 12, 2021, the petitioner re-appeared before the Design Commission and received a unanimous recommendation of approval, subject to one change required: revise the upper wall material extending down to grade to be in the middle of each side wall, leaving the rear corners and rear wall as dark EIFS. This change can be accommodated as part of building permit review.

TIF District

The subject property is located within TIF V, which was established in 2005 and includes both the Southpoint Shopping Center and the Town & Country Shopping Center. One of the goals of TIF V is to facilitate the redevelopment and revitalization of the Southpoint Shopping Center. The development of the outlot will help in the revitalization of the Southpoint Shopping Center and is consistent with the goals of TIF V.

Building and Site:

The petitioner has worked with staff to create a well-designed layout that will successfully integrate into Southpoint and provide a food & beverage tax generating land use on a site that is currently underutilized. Relative to the property, as mentioned above the petitioner has reoriented the buildings, which were originally positioned with their rear towards Palatine Road, to have them facing Palatine Road, forming a strong orientation towards this primary viewing corridor. The petitioner eliminated a proposed drive aisle connection to the Ring Road at the west of the site, consolidated separate dumpster enclosures for each building into one enclosure for the site, and added decorative crosswalks to the Ring Road. To make up for the lost overflow parking area used by Chili's (640 E. Rand Road) and Olive Garden (630 E. Rand Road), they will add a new parking area to the south of this outlot, increasing the number of stalls in that location by 19.

As previously mentioned, the existing site is currently used as a parking area patronized primarily by spillover traffic from the Chili's and Olive Garden restaurants located to the west/southwest. Landscaping on the subject property is sparse, consisting of approximately seven shade trees and an intermittent hedgerow

along Palatine Road. The redeveloped site will include over 20 shade trees and numerous groundcover plantings and shrubs. However, one row of parking is missing a required landscape island and shade tree, creating the need for the following variation:

 Variation to Section 6.15-1.2.b, to waive the requirement for a landscape island including a shade at the end of one row of parking where code requires landscape islands including a shade tree at the ends of all parking rows.

In order for any Variation to be approved, the Plan Commission must find that the requested variation conforms to the following hardship criteria:

- The proposed use will not alter the essential character of the locality and will be compatible with existing uses and zoning of nearby property.
- The plight of the owner is due to unique circumstances, which may include the length of time the subject property has been vacant as zoned.
- The proposed variation is in harmony with the spirit and intent of this Chapter.
- The variance requested is the minimum variance necessary to allow reasonable use of the property.

The petitioner has provided a written response to the four criteria necessary for variation approval and believe that the approval criterial has been met. The Staff Development Committee concurs and notes that provision of the code required shade tree would render the outdoor dining area too small for legitimate use. Outdoor dining is an amenity that should be encouraged (where feasible), and to require the shade tree at the expense of outdoor dining opportunities would be impractical. However, as a condition of approval, staff recommends that the property owner be required to install the shade tree within 90 days, upon request by the Village, should the restaurant close and new tenant does not have a need for outdoor dining.

Detention:

When the property was subdivided and outlot created in 2019, the approval ordinance contained specific conditions relative to stormwater requirements. The petitioner has worked with the Engineering Division to put forth a viable preliminary plan for updating the site to current Village and MWRD stormwater regulations, which will involve dredging of the above ground stormwater pond at the east end of the shopping center and digging out additional depth for increased capacity. Pervious pavers will be utilized along the north and western parking rows on the subject property to provide volume control, and final details will be reviewed upon submission of a building permit.

Parking and Loading:

As required by code, the petitioner has submitted a traffic study by a qualified traffic engineer (KLOA), which assesses traffic, circulation, and parking. The traffic portion of the study is based on two sets of traffic counts within the Southpoint shopping center; one from three days in mid October of 2021, and one from two days in February of 2020 (prior to measures implemented that limited access to commercial venues due to the pandemic). In general, the 2021 counts were higher than the 2020 numbers, and subsequently they were used in the study. Traffic generation from the proposed outlot *plus* all of the vacant spaces within Southpoint (as based on ITE standards) was estimated and added to the observed traffic volumes from October of 2021. The impact to the Level of Service (LOS) at adjacent intersections was analyzed based on this total, which showed that all surrounding intersections are expected to continue operating at acceptable LOS without requiring any traffic control upgrades.

The key intersection for analysis is the Ring Road/Eastwood Drive full access intersection with Palatine Road, which is unsignalized. The traffic study found that left turning movements here would operate in the LOS C

to LOS F range, however, with no delay greater than 54 seconds. Given the traffic signals at Rand Road to the west and Windsor Drive to the east, gaps in the traffic allow movements through this intersection to clear without queuing outside of turning lanes or stacking to interfere with adjacent intersections.

Longer delays at the other full access signalized entrance/exits to Southpoint will occur under future conditions, but this is due mostly to delay created by the wait times at the signalized intersections. Despite having a long delay in certain instances, traffic is expected to clear these signalized intersections in one cycle. However, enhanced striping has been proposed along the Ring Road, which will need further analysis at time of permit to determine if warranted.

The site has been well designed to be located along the perimeter of the shopping center for visibility, but requiring automobile access to wrap through the interior circulation drive aisles within the Southpoint Shopping Center. This means that the site is well contained and drive-through stacking, if it were to occur, would not encroach into primary drive aisles of the shopping center or onto public streets. Additionally, the Chipotle restaurant drive-through will be for mobile orders only, meaning all food will be pre-ordered prior to entering the drive-through pick-up line. If food is not pre-ordered, customers are instructed to park and order on their phone and proceed to the drive-through pick-up window when their food is ready. In this regard, stacking for the Chipotle drive-through should not be an issue. However, the drive-through to the second (future) building discharges into an area where the only way to exit the site is to make a 180° turn to head southbound to the internal roadway within Southpoint. Given that this maneuver would cause vehicles to encroach into oncoming traffic, it shall be prohibited and cars exiting the future drive-through will need to exit left from the drive-through and proceed counterclockwise through the site for egress.

Relative to parking, as previously mentioned, the entire Southpoint Shopping Center is governed by an OEA, which allows shared parking throughout the PUD. The subject property is currently used as overflow parking for employees and patrons of the Olive Garden and Chili's restaurants within Southpoint, and to mitigate for the loss of this parking, the petitioner has proposed additional parking stalls in what is currently a landscape island at the south of the subject property, which will create additional overflow parking spaces that are in close proximity to Chili's and Olive Garden.

To verify that both existing restaurants will still have sufficient parking within close proximity, KLOA surveyed overflow parking during a Friday and Saturday in late February 2020 (prior to measures to limit access to commercial venues due to the pandemic). The survey concluded that the parking lots for both Chili's and Olive Garden get 90%-95% usage during peak evening times, and on weekends the overflow parking lot on the subject property is approximately 90% full (63 total spaces surveyed with 57 spaces peak observed occupancy). However, the surrounding areas to the east are underutilized and can accommodate additional employee parking. In conjunction with the net gain of 19 additional parking stalls that will be created in the landscape island, there should be adequate parking for all guests and employees at the existing and proposed restaurants. However, employee parking should be monitored. If parking for the existing restaurants becomes an issue, all restaurants in this area will need to work diligently with their employees to park in the fringe parking areas (as generally indicated on the architectural site plan) to preserve the closest spots for guests/customers.

The subject property has a deficit relative to parking, where approximately 68 parking spaces are required by code and 47 are provided. However, given that the adjacent parking areas to the east are underused, and because Southpoint requires/allows shared parking, any overflow that cannot be accommodated on the subject property will be easily accommodated in the parking fields to the east. As a whole, the entire Southpoint PUD includes a surplus of parking relative to code requirements, even factoring in a future

Consumers Bank outlot adjacent to Jane Avenue and a possible additional curb cut along Rand Road. The detailed parking calculations for Southpoint are included in **Appendix I** at the end of this report.

A total of four bicycle parking spaces are required. Two have been proposed adjacent to the Chipotle building, and when the second building is constructed, an additional two bike parking spaces will be added to the east side of the site.

RECOMMENDATION

The Staff Development Committee reviewed the proposed amendment to PUD Ordinance #90-014 to allow modifications to the approved Southpoint PUD development plan, as well as a Special Use Permit to allow a 2,385 square foot restaurant with a drive-through on the subject property, and conceptual approval for a 4,419 square foot restaurant with a drive-through, and the following variation to Chapter 28 of the Municipal Code:

• Variation to Section 6.15-1.2.b, to waive the requirement for a landscape island including a shade at the end of one row of parking where code requires landscape islands including a shade tree at the ends of all parking rows.

The Staff Development Committee recommends **APPROVAL** of the application, subject to the following conditions:

- 1. Should a new restaurant/tenant occupy the Chipotle building, which tenant does not wish to provide outdoor dining, the property owner shall be required to install the missing shade tree within 90 days of a request by the Village.
- 2. Compliance with the October 12, 2021, Design Commission motion shall be required.
- 3. Any future restaurant in "Building 2" shall be required to obtain Special Use Permit approval (or a SUP Waiver if applicable) prior to obtaining zoning approval on a building permit for construction of said building.
- 4. Any future Special Use Permit assumption of the Chipotle SUP must demonstrate to the satisfaction of the Village, that drive-through operations will not create stacking issues if non-mobile ordering is offered.
- 5. As part of building permit review, additional changes may be required to the striping proposed along the Ring Road as depicted within the KLOA "Preliminary Proposed Striping" plan dated 12-1-21.
- 6. The petitioner shall comply with all Federal, State, and Village Codes, Regulations, and Policies.

January 7, 2022

Bill Enright, Assistant Director of Planning and Community Development

Cc: Randy Recklaus, Village Manager All Department Heads

Appendix I: Code Required Parking

ZONE	SPACE	CODE USE	SQUARE FOOTAGE	SEATING AREA (SQ FT)	PARKING RATIO (1:X)	PARKING PROVIDED	PARKING REQUIRED
Zone A	Olive Garden	Restaurant - Sit Down	9,010	5715	1 Space per 45 sq. ft. of seating area	145	127
	Chili's	Restaurant - Sit Down	5,995	3285	1 Space per 45 sq. ft. of seating area		73
Zone B	Chipotle	Restaurant - Sit Down	<mark>2,385</mark>	<mark>858</mark>	1 Space per 45 sq. ft. of seating area	<mark>47</mark>	<mark>19</mark>
	Restaurant #2	<mark>Restaurant -</mark> Sit Down	<mark>4,419</mark>	<mark>2209.5</mark>	1 Space per 45 sq. ft. of seating area		<mark>49</mark>
Zone C	Floor & Décor	Retail	73,375	-	1 Space per 300 sq. ft.	422	245
	Vacant	Retail	1,800	-	1 Space per 300 sq. ft.		6
	Kitchen & Bath Masters	Retail	1,133	-	1 Space per 300 sq. ft.		4
Zone D	Pearle Vision	Medical Office	2,632		1 Space per 200 sq. ft.	49	13
	Dental One	Medical Office	2,985		1 Space per 200 sq. ft.		15
	Subway	Restaurant - Sit Down	1,190	600	1 Space per 45 sq. ft. of seating area		13
	American Mattress	Retail	3,028	-	1 Space per 300 sq. ft.		10
	Next Door & Window	Retail	4,003	-	1 Space per 300 sq. ft.		13
	Sprint	Retail	2,981	-	1 Space per 300 sq. ft.		10
Zone E	Vacant	Retail	8,900	-	1 Space per 300 sq. ft.	497	30
	Dogtopia	Retail	5,200	-	1 Space per 300 sq. ft.		17
	BIF Furniture	Furniture Store	100,250	-	1 Space per 600 sq. ft.		167
	Vacant	Retail	3,800	-	1 Space per 300 sq. ft.		13
	Vacant	Retail	3,400	-	1 Space per 300 sq. ft.		11
	Vacant	Retail	2,400	-	1 Space per 300 sq. ft.		8
Zone F	Coldwell Banker	Office	11,479	-	1 Space per 300 sq. ft.	40	38
	Happy Cleaners	Retail	1,135	-	1 Space per 300 sq. ft.		4
	Vacant	Retail	2,270	-	1 Space per 300 sq. ft.		8
	Vacant	Retail	1,495	-	1 Space per 300 sq. ft.		5
	Vacant	Retail	2,265	-	1 Space per 300 sq. ft.		8
	Vacant	Retail	2,623	-	1 Space per 300 sq. ft.		9
Zone G	Parking	-	-	-	-	142	0
						1342	
PARKING REQUIRED							
PARKING PROVIDED							
SURPLUS / (DEFICIT)							

